INFORMATION LETTER

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Canners Oppose Application of Proposed Restrictions On Potato Marketing to Any Phase of Canning Operation

Two canners of white potatoes testified on behalf of the N.C.A. this week in opposition to bills proposing a National Potato Grade Labeling Act insofar as they relate to canning.

The canner witnesses were Robin M. Kirwan of Phillips Packing Co., Cambridge, Md., current president of the Tri-State Packers Association, and Edwin C. Kraus of Big Stone Canning Co., Ortonville, Minn., a former member of the N.C.A. Board of Directors.

Both testified before a subcommittee of the House Agriculture Committee April 16, the closing day of a two-day hearing on the potato legislation, whose main purpose is to provide a method for preventing the shipment of cull potatoes from farm to market.

Both canners pointed out in their statements to the Committee that canners cannot use potatoes larger than the No. 2 potatoes which might be kept off the market under terms of the proposed legislation. It was pointed out also that the pack of canned white potatoes amounted to no more than four-tenths of 1 percent of all potatoes grown.

The bills would provide three types of control on the marketing of potatoes. If two-thirds of the nation's potato producers voting in a referendum favor such controls, the USDA would (1) establish minimum grade standards which would prohibit the shipment of cull potatoes to market; (2) require labeling of potatoes as to grade and state or area of production, so as to identify the quality and origin of each lot of potatoes; and (3) require inspection of potatoes in order to enforce the grading and labeling requirements.

Messrs. Kirwan and Kraus described for the Committee how such requirements would affect potato canning operations.

The American Farm Bureau Federation and the Vegetable Growers Association of America opposed the entire legislation.

The USDA presented a statement approving and supporting the objectives of the bill "if the potato industry wants such a program." USDA also pointed out some of the difficulties which the Department might encounter in seeking to administer and enforce provisions of the legislation.

The USDA said that about 9 percent of the potatoes in a normal crop are below No. 2 grade and about 5 percent are under the minimum size.

Support for the legislation for the most part came from the potato industry in the late producing states.

Senate Hearing Scheduled On Marketing Order Bills

A hearing on bills to authorize marketing orders on cranberries for canning, through amendment of the Agricultural Marketing Agreement Act of 1937, will be held April 29 by a subcommittee of the Senate Committee on Agriculture.

The N.C.A. is scheduling the appearance of a number of canners at the hearing and is preparing to present a statement expressing again the industry's opposition to marketing orders on canning crops.

The subcommittee is headed by Senator Johnston (S. C.) and also includes Senators Holland (Fla.), Humphrey (Minn.), Aiken (Vt.), and Young (N.D.).

Commission on Industrial Use of Agricultural Products Submits Interim Report, Favoring Research in Many Fields

The President's bipartisan Commission on Increased Industrial Use of Agricultural Products, created in August, 1956, has made an interim report to the Congress, dated April 17, 1957. The Commission's final report is due June 15.

As reported previously in the INFORMATION LETTER (Dec. 5, 1956, page 373, and Jan. 5, 1957, page 1), commodity task groups were appointed for some 18 commodity groups, one of which was for fruits, vegetables and tree nuts, on which C. A. Greenleaf, Associate Director of the N.C.A. Washington Research Laboratory, served as a member.

The interim report summarizes recommendations of the various task groups regarding desirable research and development programs for increasing industrial use of the respective commodities, and includes a series of general recommendations:

(1) That funds for industrial uses research be increased to not less than three times the amounts currently ($16,145,000) available, plus additional sums for new crops research, trial commercialization, development, and incentives.

(2) That in addition to facilities of USDA and land-grant institutions, use be made under contract of other colleges, research organizations, corporations, and foreign institutions.

(3) Provision of grants, fellowships and scholarships, both to support research projects and increase the supply of trained agricultural scientists.

(4) Annual investment in research and development for new crops, with provision for incentives where necessary to establish such new crops.

(5) Placing of contracts for development of research results into commercial production, and provision of funds for that purpose.

(6) Authority and funds to extend incentives to farmers or industry to hasten establishment of a new crop or new industrial use, and for rapid disposal through industrial channels of accumulated surpluses.

(7) Creation of a five-member nonpartisan board, four to be appointed

by the President and one by the Secretary of Agriculture, to be known as the Agricultural Research and Industrial Board.

(8) That 15 percent of the annual gross receipts from customs revenues be allotted to the program, with authorization to carry forward such funds in amounts not to exceed $150,000,000. This would provide continuity of support for the research and development projects.

With regard to fruits and vegetables, the report recognizes that nonfood industrial uses are likely to be limited, but that some such uses may present themselves as more is learned of the chemical constituents of these products. To that end, basic research on composition and biochemistry of these products is recommended. In the major field of food use, the report favors development of better methods of canning, freezing, dehydrating, concentrating, and otherwise processing these foods.

Collier's Year Book

The 1957 *Collier's Year Book*, covering events of the year 1956, just issued, includes a special section on the canning industry, written by the Information Division from data furnished by the Research Laboratories and the Statistics Division.

Among items reported are the 1956 production of canned foods, the business situation, advances in automation and processing, and new canned items introduced last year. The participation and importance of the canning industry in food and drug legislation and standards is mentioned in a discussion of the 50th anniversary year of the original Pure Food Law.

Collier's Year Book has a circulation of approximately 100,000.

Showings of Three Squares

Ten additional showings of the N.C.A. motion picture "The Three Squares" are reported this week as follows:

At five grower meetings sponsored by the Michigan Fruit Canners, Inc., Benton Harbor, Mich., during March 28-April 10, the film was shown to a total audience of 800.

Four showings were made during April to two schools in Benton Harbor, Mich., to 575 total students.

On April 12, the film was shown to 140 employees of Naas Foods, Inc., and wives, at the Portland Country Club, Portland, Ind.

McCall's

Four of the five fruits featured in the article "Cheese Pie with Fruit Glaze" in the April *McCall's* magazine are canned.

"Smooth, luscious, easy to make and not expensive, McCall's new Cheese Pie is really spectacular," says the subtitle. A basic cheese pie recipe and the directions for making five fruit glazes are given. Canned cranberry sauce, tart red cherries, pineapple, and peaches are used for four of the glazes. Each is shown in color photographs.

Institutional Workshop

On April 10 the H. A. Johnson Company of Boston, Mass., sponsored a workshop on "Evaluation of Canned Foods," for institutional food service directors from Connecticut, New Hampshire, Rhode Island, and Massachusetts.

Speaking on "What's New in Canned Foods," Katherine R. Smith, Director of N.C.A.'s Consumer Service Division, outlined the advantages of canned foods for quantity food service. The increased consumption of canned foods, the results of research which contribute to finer quality, and suggestions for preparing canned foods were also discussed. Copies of the book *Quantity Recipes for Institutional Food Service* were given to those attending the workshop.

Conferences were held with newspaper food editors, city home economics supervisors, and college home economists on April 11 and 12.

USDA Proposes to List Varieties of Snap Beans

The Agricultural Marketing Service of USDA proposes to add a number of varieties of snap beans to its list of recognized variety names. The seeds would be subject to regulation under the Federal Seed Act.

The varieties of snap bean seeds which the USDA proposes to list are Cornell 14, Earligreen, Glades, Greencrop, Improved Tendergreen (improved new stringless; resistant Tendergreen), King Green, Processor, Seminole, Tenderbest, Tender-white, Topmost, White-seeded Tendergreen, and Woodruff's Hyscore.

USDA also proposes to list several varieties of cabbage, hybrid onion, and soybean seeds. The proposal also would add a number of other kinds of seeds to the Federal Seed Act regulations.

Notice is given in the *Federal Register* of April 13 that USDA will hold a public hearing on its proposal on June 4 and will receive written comments until June 12.

New Look in Farm Communities Will Feature Stronger Urban Ties

Roots of the rural community of 1975 will be sunk deeper into urban ground, economists of the USDA predict as they examine past and present patterns of development in agricultural communities throughout the country. Their findings suggest a new agricultural community is emerging which might be described as "city life widely spaced."

The trend toward greater economic and social dependence of agricultural communities on larger towns and cities was described by John H. Southern, an economist of USDA's Agricultural Research Service, at the January (1957) annual meeting of the Texas Agricultural Workers Association.

Major events that will largely determine the pattern of the rural community 20 years from now have already happened, Mr. Southern says. In a sense, therefore, no crystal-ball gazing is required to visualize the main features of the future new look of the U. S. farm community.

Events or situations that determine what the character of the farm communities will be in 1975 include (1) the revolution in agricultural technology and farm management; (2) population gains and the growth of urban centers; (3) the impending labor shortage; and (4) the rising standard of living.

On the economic side, the rural community is more than ever dependent on the urban. Just before World War II, only about 25 percent of farm production supplies—fertilizers, seeds, feeds—came from urban-industry sources. Now, farmers get more than 60 percent of these supplies from cities and factories. With the march

of technology, the percentage might reach 75 or more before 1975.

Then, too, many chores once done by farmers themselves are now often performed by urban industries or individuals. Some of these services include contract hauling of livestock and other farm products, pickup of eggs and milk, custom harvesting, weed control, and insect control. The upward trend in this direction is expected to continue.

While more highly commercialized agriculture brings about larger farms, greater investments, and greater incomes, it may also transfer certain functions and some decision making from the farm to nonfarm sectors. This can be seen, for example, in broiler production where rural and urban interests are closely linked.

Farm land values will be determined to an increasing extent by nonagricultural factors, such as location of good roads, demands of non-farmer buyers, and suburbanization.

Suburban communities—like clusters of leaves along the main stem and branches of highways and roads—have grown in recent years at about 3½ times the rate of the gain in national population. This movement into the countryside will increase rather than diminish, the economists predict.

By 1975 the total U. S. population is expected to increase by two-fifths, but the working force—made up of persons already born—will have increased by only one-fifth. During the same period, farm population may decline by as much as 30 percent. All this makes for closer ties with urban communities, since the remaining rural families will have more members working off the farm in urban jobs.

A new standard of living has spread rapidly over the nation in the past 20 years. The levels of living of farm and city people are more nearly alike now than they were only a short time ago. The gap will continue to narrow.

Socially, also, the new look of the agricultural community is one of greater dependence on urban centers. More and more rural residents will be going to urban schools, churches, shopping centers, and to recreation and entertainment facilities. In the new agricultural community, various occupational groups will live in the rural areas, and many of them will have jobs in towns or cities.

Thus evidence is piling up that the farm communities of the future will be drawn more closely than ever before into the life of urban communities.

Census Report Measures Canned Foods Transportation

The relative use of railroads, motor carriers, private trucks, and water and other transport in shipping canned fruit and vegetable products in 1954 is measured in a report just issued by the Bureau of the Census.

Based on a sample of the canned fruits and vegetables industry, the report shows 45.5 percent of the tonnage of these products was moved by rail, 28.3 percent of the tonnage moved by motor carrier, 19.4 percent by private truck, and 6.8 percent by water and other types of shipment.

Wholesalers were listed as the leading "receiver" of the canned fruit and vegetable products, with 38.6 percent of the tonnage; 25.0 percent went to multiunit retail and 6.5 percent to other retail businesses; 4.5 percent to government and miscellaneous; 3.7 percent to manufacturing; 1.7 percent to outside the continental U. S.; and 19.7 percent was reported as inter-plant transfers.

Shipment by railroad was shown to be favored as mileage increased. At distances of 500 miles and more, railroads were credited with carrying about 70 percent of the total tonnage.

The average straight-line distance from shipping point to receiver was reported at 543 miles. Canned fruits were shipped an average of 903 miles, canned juices an average of 629 miles, seasonal vegetables an average of 501 miles, nonseasonal vegetables an average of 398 miles, and "other" canned foods moved an average of 386 miles.

The Bureau of the Census said that the survey was undertaken principally to test and develop a method that could be used for nearly all types of shippers, in determining:

(a) The relative volumes of canned foods moved by railroad, motor carrier, private truck, and other means of transport from point of production to customer or redistribution point.

(b) Distribution of manufacturers' sales by major market channels.

(c) Volume of interregional trade.

(d) Geographic relationship between point of production and markets, in terms of distance.

(e) Relative volumes of products shipped to receivers in standard metropolitan areas and to other areas classified by population.

Copies of the report, *Transportation and Distribution of Products by Canned Fruits and Vegetables Industry: 1954*, may be obtained from the Transportation Division, Bureau of the Census, Washington 25, D. C.

Canned RSP Cherry Stocks

A report on canners' stocks of canned RSP cherries on April 1 and season shipments to that date has been issued by the N.C.A. Division of Statistics. Copies of the report were mailed to all RSP cherry packers.

	1955–56	1956–57
	(*actual cases*)	
Carryover, July 1	124,814	354,613
Pack	4,902,237	2,748,671
Total supply	5,027,051	3,103,284
Stocks, April 1	1,212,973	630,232
Shipments during March	340,139	206,883
Shipments, July 1–April 1	3,814,078	2,473,052

Reports on April 1 stocks of a number of other canned food items are scheduled for issuance next week.

1956 Packs of Fruits

Reports on the 1956 packs of canned blueberries, plums, and rhubarb have been issued by the N.C.A. Division of Statistics.

Blueberries

State	1955	1956
	(*actual cases*)	
Maine	391,116	333,782
Other states	292,636	133,680
U. S. Total	683,752	467,462

Plums

The 1956 pack of canned plums (not purple plums) totaled 162,279 actual cases as compared with the 1955 pack of 71,478 cases.

Rhubarb

The 1956 pack of canned rhubarb totaled 70,948 actual cases as compared with the 1955 pack of 70,270 cases.

Personal Income

Personal income in the first quarter of 1957 was at an annual rate of $336.5 billion, exceeding the rate during the first quarter of 1956 by $19 billion or 6 percent, according to the Office of Business Economics, U. S. Department of Commerce.

Wages and salaries, the major factor, rose from $219.4 billion in the first quarter of 1956 to $233.6 billion in the first quarter this year.

Personal income in March, at a seasonally adjusted annual rate of $337.6 billion, was $1 billion higher than in February and $2.6 billion higher than in January.

Status of Legislation

(The Senate and House adjourned April 18 until April 29.)

Agricultural trade development—S. 1314 (Ellender of La.), to raise Title I authorizations from $3 billion to $4 billion and extend P. L. 480 to June 30, 1958, was passed by the Senate April 1 and was the subject of a hearing by the House Agriculture Committee March 29.

Antimerger legislation—H. R. 2143 (Celler of N. Y.), to require prior notification of corporate mergers, was approved, with amendments, by a House Judiciary Subcommittee April 4. S. 198 (O'Mahoney of Wyo.) is pending before Senate Antimonopoly Subcommittee.

Defense procurement—S. 1537 (McClellan of Ark. and McCarthy of Wis.) and a number of companion bills in the House, to create a "Supply and Service Administration" in the Department of Defense for purchase and distribution of common supply items, in line with Hoover Commission recommendations, have been introduced and referred to Armed Services Committees, which are awaiting comments from the Department.

FDA chemical additives—H. R. 6747, the Administration-sponsored bill to regulate the use of chemical additives in foods, was introduced by Rep. Harris (Ark.), chairman of the House Commerce Committee.

Fishermen's Protective Act—Bills to broaden protection of fishermen on the high seas were the subject of a hearing by a House Merchant Marine Subcommittee April 17.

Government contracts—H. R. 722, to amend the Robinson-Patman Act so as to make sales to nonprofit institutions for resale, subject to the Act, will be the subject of hearings by House Judiciary Committee after it receives statements from government agencies concerned.

ICC agricultural exemption—S. 1689 (Magnuson of Wash.) and H. R. 5823 (Harris of Ark.), to amend the agricultural exemption in sec. 203 (b) (6) of the Interstate Commerce Act, have been introduced.

ICC private carrier definition—S. 1677 (Magnuson of Wash.) and H.R. 5825 (Harris of Ark.), to amend the definition of a private motor carrier, as recommended by the ICC, will be the subject of hearings by the Senate Surface Transportation Subcommittee May 6-8.

ICC private carriers—S. 1490 (Magnuson of Wash.) and H.R. 5664 (Harris of Ark.), to require private motor carriers to register with the ICC annually, was approved by the Senate Surface Transportation Subcommittee April 12 but was passed over by the full Senate Commerce Committee at its regular meeting April 15.

Marketing orders, cranberries—A number of bills to amend the Agricultural Marketing Agreement Act so as to authorize marketing orders for cranberries for canning, will be the subject of hearings by a Senate Agriculture Subcommittee April 29. N.C.A. opposes.

Potato marketing and labeling—A number of bills to prohibit the sale of potatoes of a lower grade than U. S. No. 2, under certain conditions, were the subject of hearings by the House Agriculture Committee April 15-16. N.C.A. opposes application to canning (see story, page 159).

Poultry inspection—S. 1747 (Aiken of Vt.), providing for compulsory USDA inspection of poultry products, was passed by the Senate April 8. H. R. 6814 was approved by a House Agriculture Subcommittee April 9.

Robinson-Patman Act—S. 11 (Kefauver of Tenn.) and H. R. 11 (Patman of Tex.), to restrict the good faith defense against a charge of price discrimination, was the subject of hearings by the Senate Antitrust Subcommittee March 12-20 and March 26-April 5.

Wage-Hour—Various bills to increase the minimum wage, broaden coverage and eliminate existing exemptions in the Fair Labor Standards Act, were the subject of hearings by the Senate Labor Committee. The House Labor Subcommittee continues to hear witnesses.

Waste disposal—H. R. 1082 (Byrnes of Wis.), H. R. 2463 (Lipscomb of Calif.), and H. R. 4134 (Simpson of Pa.), to allow rapid amortization of waste disposal facilities and treatment works, have been introduced. N.C.A. supports the proposal, which is before House Ways and Means Committee.

Grades for Canned Squash

Notice is given in the *Federal Register* of April 16 that the Agricultural Marketing Service of USDA proposes to issue U. S. standards for grades of canned summer-type squash. The standards were developed at the request of the industry to assist in marketing the product.

Any of the common table varieties of summer squash used in the immature stage could be classified under the proposed standards.

The proposed standards provide for classifying the product as U. S. Grade A (Fancy), U. S. Grade C (Standard), and Substandard. The quality would be determined by evaluation of color, defects, and character.

Interested persons may submit written views or comments on the proposal to the Fruit and Vegetable Division, Agricultural Marketing Service, U. S. Department of Agriculture, Washington 25, D. C., until June 17.

Irving A. Nelson

Irving A. Nelson, former president-manager of the Cool Spring Canning Co., Lake Mills, Iowa, died April 13.

Mr. Nelson was associated with the canning industry throughout his life. His firm was a charter member of the N.C.A. and observed its own 60th anniversary in 1953 with the publication of a book, *Canning Progress*, written by Mr. Nelson.

He served two terms on the N.C.A. Board of Directors, in 1935-37 and 1944-45.

TABLE OF CONTENTS

PAGE

Business Indicators
Personal income 161

Congress
Senate hearing scheduled on marketing order bills 159
Canners oppose application of proposed restrictions on potato marketing to any phase of canning operation 159
Status of legislation 162

Death
Irving A. Nelson 162

Publicity
Collier's Year Book 160
Showings of "Three Squares" 160
McCall's 160
Institutional workshop 160

PAGE

Raw Products
USDA proposes to list varieties of snap beans 160

Research
Commission on Increased Industrial Use of Agricultural Products submits interim report, favoring research in many fields 159
New look in farm communities will feature stronger urban ties 160

Standards
Grades for canned squash 162

Statistics
Canned RSP cherry stocks 161
1956 packs of fruits 161

Traffic
Census report measures canned foods transportation 161